

USAID DEVELOPMENT ASSISTANCE GRANT AGREEMENT NO. 615-003

EIGHTEENTH AMENDMENT

TO THE

DEVELOPMENT ASSISTANCE GRANT AGREEMENT

BETWEEN THE

UNITED STATES OF AMERICA

AND

THE REPUBLIC OF KENYA

FOR

**REDUCED FERTILITY AND THE RISK OF HIV/AIDS TRANSMISSION THROUGH
SUSTAINABLE, INTEGRATED FAMILY PLANNING AND
HEALTH SERVICES**

DATE: 26 SEP 2008

EIGHTEENTH AMENDMENT TO THE DEVELOPMENT ASSISTANCE GRANT

AGREEMENT NO. 615-003

Between

The United States of America, acting through the United States Agency for International Development ("USAID")

And

The Republic of Kenya (hereinafter referred to as the "GOK" or "Grantee")

Article 1: Purpose of Amendment

The purpose of this Eighteenth Amendment is to: 1) grant additional USAID resources; and 2) increase the current "in-kind" contribution of the Grantee. 3) Revise the amplified description in Annex1.

This Eighteenth Amendment to the Development Assistance Grant Agreement No. 615-003, dated the 19th day of August 2003 is hereby entered into between the parties above named as follows:

Article 2: Contributions of the Parties

Section 3.1 USAID Contribution.

Section 3.1 (a) is deleted in its entirety and replaced with the following:

(a) The Grant: To help achieve the Objective and Results set forth in this Agreement, USAID, pursuant to the Foreign Assistance Act of 1961, as amended, has previously obligated the sum of Four Hundred Eighty One Million Three Hundred and Sixty Thousand Eight Hundred and Forty Two United States ("U.S.") Dollars (US\$481,360,842).

In order to further help achieve the Objective and Results set forth in this Agreement, USAID hereby further grants to the Grantee under the terms of this Agreement an additional amount not to exceed Three Hundred and Thirty One Million, Nine Hundred and Fifty Five Thousand, Seven Hundred and Fifty Five ("U.S.") Dollars (US\$331,955,755) via this Eighteenth Amendment.

The funding in the Eighteenth Amendment will be used for activities to support the USAID two Program Areas: Health (\$331,782,574) and Social & Economic Services Protection for Vulnerable Populations (\$173,181). The total amount of the Grant is now Eight Hundred and Thirteen Million, Three Hundred and Sixteen Thousand, Five Hundred and Ninety Seven United States ("U.S.") Dollars (US\$813,316,597).

Section 3.2 The Grantee Contribution

Section 3.2 (a) is deleted in its entirety and replaced with the following:

(a) The Grantee contribution for the Strategic Objective under this Eighteenth Amendment is equivalent to One Hundred and Ten Million, Six Hundred and Fifty One Thousand, Nine Hundred and Seven United States ("U.S.") Dollars (\$110,651,907 making the total contribution to date One Hundred and Ninety Seven Million, Eight Hundred and Fifty Eight Thousand, Two Hundred and Three Six ("U.S.") Dollars (\$197,858,203), all contributions on "in-kind" basis.

Article 3: Attachments

Attachment 1 to Annex 1, Illustrative Budget, Amendment 17 is hereby deleted and the attached Attachment 1 to Annex 1, Illustrative Budget, Amendment 18 is substituted in its stead.

Article 4 Other Terms and Conditions

All other terms and conditions of the original Development Assistance Grant Agreement as amended shall remain in full force and effect.

IN WITNESS WHEREOF, the United States of America and the Grantee, each acting through its duly authorized representatives, have caused this Eighteenth Amendment to be signed in their names and delivered as of the day and year written below.

**FOR THE GOVERNMENT OF THE
REPUBLIC OF KENYA**

BY: _____

**Hon. John Michuki, EGH, MP
Ag Minister for Finance**

DATE: _____

24th September 2008

**FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA**

BY: _____

**Erna Kerst
Mission Director
USAID/Kenya**

DATE: _____

9/26/08

WITNESSED BY:

BY: _____

**Michael E. Ranneberger
Ambassador of the United
States Of America to Kenya**

DATE: _____

9/25/08

ILLUSTRATIVE BUDGET
(In US Dollars)

	Prior Obligations		This Obligation		Cumulative Obligations		Future Planned Obligations		Planned Life of Activity Funding	
	USAID	Implementing Agency Cont (Equiv.)	USAID	Implementing Agency Cont (Equiv.)	USAID	Implementing Agency Cont (Equiv.)	USAID	Implementing Agency Cont (Equiv.)	USAID	Implementing Agency Cont (Equiv.)
A. FY 2006 and Prior Years Obligations										
Integrated Service Delivery	25,786,000	478,500	-	-	25,786,000	478,500	-	-	25,786,000	478,500
Health Care Fin. & Sustainability	3,875,000	503,000	-	-	3,875,000	503,000	-	-	3,875,000	503,000
Child Survival & Diseases	12,774,000	382,400	-	-	12,774,000	382,400	-	-	12,774,000	382,400
Management & Coordination	9,757,283	366,450	-	-	9,757,283	366,450	-	-	9,757,283	366,450
HIV/AIDS	185,763,996	4,341,100	-	-	185,763,996	4,341,100	-	-	185,763,996	4,341,100
Sub-Total	237,956,279	6,071,450	-	-	237,956,279	6,071,450	-	-	237,956,279	6,071,450
B. FY 2007 and Beyond Obligations										
Program Area:										
Health										
Program Elements										
HIV/AIDS	219,685,041	-	299,835,442	-	519,520,483	-	125,317,984	-	644,838,467	-
Tuberculosis	1,500,000	-	-	-	1,500,000	-	1,456,000	-	2,956,000	-
Malaria	7,455,000	-	17,297,562	-	24,752,562	-	2,147,438	-	26,900,000	-
Maternal and Child Health	1,000,000	-	3,470,000	-	4,470,000	-	-	-	4,470,000	-
Family Planning & Reproductive Health	12,364,522	-	11,179,570	-	23,544,092	-	1,805,908	-	25,350,000	-
Program Area:										
Social & Economic Services										
Protection for Vulnerable POP Health										
Program Elements										
Social Services	1,400,000	-	173,181	-	1,573,181	-	1,326,819	-	2,900,000	-
Implementing Agency Contribution: 33.3% of Obligations										
Sub-Total	243,404,563	81,134,846	331,955,755	110,651,907	575,360,318	191,786,753	132,054,149	44,018,045	707,414,467	235,804,799
Grand Total	481,360,842	87,266,296	331,955,755	110,651,907	813,316,597	197,858,203	132,054,149	44,018,045	945,370,746	241,876,249

Development Assistance Grant Agreement 615-003

Annex 1

Amplified Description

I. INTRODUCTION

This Annex describes the activities to be undertaken and the results to be achieved with the funds obligated under this Agreement. Nothing in this Annex 1 shall be construed as amending any of the definitions or terms of the Agreement.

This Annex elaborates the results to be achieved, provides the indicators that will measure achievement, provides an illustrative list of activities to be undertaken, and identifies the resources to be provided by the Grantee and USAID to support USAID Kenya's Strategic Objective No. 615-003 (SO3), reduce transmission and impact of HIV/AIDS and improve reproductive, maternal, and child health. These results, activities, and resources reinforce and build upon those provided under the previous agreement (DAGA No. 615-003 dated August 19, 2003).

II. BACKGROUND

A. Development Challenge

While Kenya has made progress in many areas, she continues to face numerous health challenges that are having an adverse impact on both Kenyans and the economy. HIV prevalence is currently estimated at 7.8% (KAIS, 2007). The fertility decline has stalled and child mortality rates are increasing, with under five mortality currently estimated by UNICEF at 121 deaths per 1,000 live births. Maternal mortality rate stands at 414 maternal deaths per 100,000 live births. Approximately 14,7000 women of reproductive age die annually due to pregnancy related complications. Recent statistics show that 60 per cent of births in Kenya take place outside health facilities and only 40 per cent of deliveries are attended by skilled personnel. Communicable and infectious diseases, nutrition deficiency disorders and parasitic infections still dominate the morbidity profile in the country. The majority of Kenyans continue to seek treatment in health care facilities for ailments that can be controlled through preventive and promotive measures. Further, health statistics indicate that Malaria is a leading cause of the outpatient morbidity, accounting for 30 per cent of the total disease burden in Kenya.

According to the recently GOK launched vision 2030 plan, the majority of Kenyans do not have access to affordable healthcare as nearly half (46 per cent) of the population live below the poverty line. The Household Health Expenditure Report of 2003, further reports that 44 per cent of Kenyan who fall sick do not seek health services and die due to lack of finances. This implies that low income remain a major hindrance to accessing health care services in the country. These ongoing challenges have been compounded by the recent post-election violence that has seen over 300,000 people displaced from their homes. This has resulted in treatment disruptions for HIV and TB patients, a breakdown

in primary health care in the most affected areas due health personnel being unable to work due to security constraints, and a possible food crisis in the near future. These events will likely cause a setback in Kenya's efforts to meet the MDGs.

B. The Kenya Government Responses

In response to these challenges, individual Ministries then developed their respective strategies and investment plans, which are incorporated within the Medium-Term Expenditure Framework and annual budget cycle. One of the key assumptions is that the Government cannot be all things to all people. Government investments need to become more strategic and focus on the social sector investment in education and health as well as infrastructure, with the private sector assuming a greater role as an engine for economic growth. Furthermore, the Government, private sector, and NGOs must work collaboratively based on comparative advantage to improve the effectiveness of service delivery.

The Government is now developing its Vision 2030, a framework to guide national development. Its overarching vision is to make Kenya a globally competitive and prosperous nation with a high quality of life by 2030. Vision 2030 identifies five key issues in the health sub sector: access, including geographic and financial access and socio-cultural barriers; equity; quality; capacity; and institutional framework

C. USAID Response to the Challenge to Date

The USAID response is fully consistent with the efforts of the Government of Kenya and the coordinated efforts of the development partners. Kenya is a Transformational Development Country. The vision is for Kenya to be a democratic nation, on a sustainable growth path with reducing poverty and dependence on foreign aid. While it is unlikely for Kenya to achieve middle-income status within the medium-term, a growth rate of 7-8 percent per annum is possible given the 5 percent recorded this year in a time of political uncertainty. The medium-range goal is therefore to position Kenya to achieve eventual middle-income status with a more equitable distribution of income, improved standards of living, quality of life, and accountable, participatory governance. The Mission's Operational Goals are to: (1) Foster a healthier, better-educated, and more productive population; and (2) Increase the effectiveness of Kenyan institutions in promoting a vibrant private sector and democratic governance. While Kenya has the foundation for sustainable development, it also demonstrates elements of fragility. The country is surrounded by fragile states and has porous borders; it includes citizens who have been marginalized politically, socially and economically over a sustained period of time; it has significant populations that are food insecure; and there is a history of localized conflicts over resources. Conflict mitigation, humanitarian assistance, and support to marginalized and vulnerable populations are therefore integrated into the Kenya country program. [From USAID Kenya Strategy Statement FY 2006-2011]

This Strategic Objective supports the goal of investing in people, strengthening their capacity in order to promote and sustain success and move Kenya to a transforming

country status. This will contribute to the objective by reducing the transmission and impact of HIV/AIDS; preventing and controlling infectious diseases; reducing maternal and child mortality; improving family planning and reproductive health; and improving access to safe drinking water and sanitation.

The large increase in PEPFAR funding will include prevention, treatment, and care of those affected or likely to be affected by the HIV/AIDS epidemic.. This will include activities focused on youth and other “most at risk populations” (MARPS); orphans and vulnerable children (OVCs); prevention and treatment of mother-to child infections (PMTCT); nutrition and home-based care; logistics and management of antiretroviral drugs. There will additionally be a significant component devoted to strategic information and measurement of program success through monitoring and evaluation activities.

The Maternal and Child Health funds will be used to improve maternal, neonatal, and child health outcomes by supporting the scale-up of high-impact interventions, strengthening health systems, and building human resource capacity. USAID/Kenya will use its FY08 Reproductive Health/Family Planning funds to improve facility-based service delivery and socially market contraceptives; use communications channels to increase the use of these services; and strengthen systems and the policy environment, especially ensuring a sustainable supply of contraceptives.

By the end of FY09, provincial projects will be supported by high performing national systems. USAID will achieve major results by 2011: reduce HIV prevalence and expand treatment, care and support providing anti-retroviral treatment to over 250,000 people; reinvigorate family planning increasing the modern contraceptive prevalence rate by 4 percentage points in the general population and the lowest 2 wealth quintiles, resulting in lower fertility; meet and exceed the WHO targets for TB by increasing case detection rate to 70% and ensuring treatment success in 85% of patients; and reduce child mortality significantly. With continued support from the President’s Malaria Initiative, it is expected that by 2010 there will be a 50% reduction of malaria associated mortality, more than 90% of households with pregnant women and children under five will have at least two Insecticide Treated Nets and 85% of the target populations will be reached by effective malaria interventions such as prompt treatment of malaria with effective malaria drug. USAID/ Kenya’s water program will increase sustainable access to safe drinking water and sanitation and improve hygiene prevalence in order to curb water-related diseases.

III. FUNDING

Financial Plan. The financial plan for the Program is set forth in the attached table.

Changes may be made to the financial plan by representatives of the Parties without formal amendment to the Agreement, if such changes do not cause (1) USAID's contribution to exceed the amount specified in Section 3.1 of the Agreement, or (2) the Partner’s contribution to be less than the amount specified in Section 3.2 of the Agreement

IV. FRAMEWORK

A. HIV/AIDS

Program Element

The USAID/Kenya Population and Health program is defined by complementary target populations in clinical and community settings which lend themselves to HIV/AIDS and MCH/FP/RH integration. Malaria, STI, and HIV prevention and treatment are all targeted at pregnant women. Pregnant and post-partum women who attend family planning, ante-natal and PMTCT clinics will receive counseling on both family planning and HIV prevention. The same applies to clients of VCT services who require information about family planning. Post-abortion care, integration of family planning with antenatal and postnatal care, and integration of family planning with HIV and STI prevention and treatment are also examples of wrap around of program components. Clients who receive home-based care services for HIV serve as an entry point to the rest of the family and provide an opportunity for information dissemination on malaria, family planning and maternal and child health. Along with the components of the basic care package utilized by caregivers in their home-based care sites are insecticide-treated bed nets to guard against malaria. Policy development, community mobilization, behavior change, training, service delivery, quality improvement, personnel management, drugs and commodity availability, research and monitoring and evaluation are program elements targeted to maternal health and nutrition, as well as HIV and AIDS projects.

INDICATIVE ACTIVITIES

USAID/Kenya's AIDS, Population and Health Integrated Assistance Program II (APHIA II) projects support the integrated delivery of HIV/AIDS and other health services. There is one such project in each province. These provide technical assistance, training and provision of commodities to public and private sector health facilities.

The prevention portfolio for Kenya includes medical/technical interventions for improvement of blood safety, reduction of exposure through safe medical injection and prevention of mother-to-child transmission. Additionally there are abstinence and be faithful activities, condoms and other prevention activities. The 3000+ PMTCT sites provide HIV testing and counseling to pregnant women, followed by administration of prophylaxis to prevent vertical transmission.

It is estimated that ninety percent (90%) of new infections result from sexual transmission. Hence there will be focused attention to abstinence among youth, expanded access to male circumcision services, and increased access to prevention services for commercial sex workers. Training will enable thousands of educators to reach over 5 million Kenyans with prevention information.

Care and support activities include treatment and care of those co-infected with TB, support for orphans and vulnerable children and the strengthening of household support for those families affected by AIDS. OVC programs will include all six priority services:

health, nutrition, education, protection, psychosocial services as well as shelter. Additionally, there is the requirement that there be age-appropriate prevention programs included in OVC programs. Palliative care interventions will be designed to respond to the gaps identified in the portfolio which, in the past, have not met the needs of Kenyans infected or affected by AIDS. This will necessitate better linkages between the community and clinic settings and will increase the availability of drugs for treatment of opportunistic infections. Furthermore home-based care will be improved through implementation of MOH's guidelines. Finally, TB treatment and prophylaxis will continue.

Treatment priorities include procurement of ARVs, an increase in pediatric treatment, and continuing support of systems strengthening. Efforts will include improvement in regional functions such as quality assurance, support of provincial networks (PARTOs), and improved supervision.

RESULTS TO BE ACHIEVED AND INDICATORS

With continued support from the President's Emergency Plan for AIDS Relief II, USAID and its USG partners will achieve significant results by 2011. HIV prevalence will be reduced through a balanced prevention program using the "ABC" model (Abstinence, Be faithful, and correct and consistent Condom use) and by activities such as reducing mother-to-child HIV transmission. Treatment of Kenyans with AIDS will expand through scaling-up the provision of antiretroviral drugs. Orphans, other vulnerable children, and families affected by HIV/AIDS will receive community-based care and support.

B. Tuberculosis

Program Element

TB is one of the leading causes of morbidity and mortality in Kenya. It is closely linked with HIV/AIDS, with over 50% of TB patients co-infected with HIV. In 2007 there were 116,723 new cases of TB detected. A WHO led reassessment, of the case detection and treatment success rates, suggests that Kenya has met the WHO targets. Early case detection remains a problem though. Collaborative TB/HIV activities are now in place across the country.

Indicative Activities

USAID intends to enhance early case detection, and continue to improve treatment success rates. In addition USAID will enhance Multi Drug Resistant Tuberculosis (MDR TB), activities providing support to the prevention, detection and treatment of MDR TB. DOTS expansion and enhancement and MDR TB will be critical to 2008 activities. USAID will continue to support the operations of the National TB program to ensure that supervision continues and drugs are delivered to service delivery points to expand and enhance DOTS. In addition USAID's technical assistance will focus on: improving donor coordination and enhancing usage of donor funds including the Global Fund to ensure MDR surveillance and treatment; b) increasing the quality of diagnostic services and ability to provide drug sensitivity testing in laboratories; and c) infection control.

USAID TB funds complement PEPFAR funds for TB/HIV. USAID carefully coordinates these funding sources to enhance the impact of programmatic efforts. TB funds are used to enhance the TB programs ability to manage all cases - HIV infected or not.

Results to Be Achieved and Indicators

USAID's efforts over the next five years in the tuberculosis program area will largely be attributed to the reduced HIV burden among TB clients, their partners, and family members through expanded HIV testing, cotrimoxazole therapy, referral to HIV care and treatment programs, and HIV prevention activities in TB settings; reduced TB burden among persons living with HIV (PLHIV) through expanded TB screening, TB prophylaxis, and TB infection control in HIV care settings; improved integration of HIV and TB services through supportive supervision, coordination between TB and HIV programs, monitoring and patient referral/tracking systems, clinical and laboratory improvements, and health care worker staffing and training; better coordination with local and international partnerships for human resources, commodities, and infrastructure; and strengthened capacity for quality TB diagnostic and treatment services and identification and control of the emerging threat of Multi-drug Resistant (MDR)-TB. In the next 12 months, about 12,000-HIV infected individuals attending HIV care/treatment services will be supported to receive treatment for TB with 3000 health care workers from about 250 health facilities being trained to provide treatment for TB to HIV-infected individuals

C. Maternal and Child Health

Program Element

Maternal and child health (MCH) challenges remain in Kenya. Child mortality rates increased by 28% from the late 1980s to 2003; 11% children born in Kenya die before age 5. While 90% of pregnant women had one or more antenatal care visits, only 54% had 4 or more. Improving the health of women and children in Kenya will help achieve sustainable improvements in the well-being and productivity of its population. Kenya's long-term goal, as stated in its National Health Sector Strategic Plan, is to reduce under-5 mortality to the MDG target of 33 by 2015 and the maternal mortality ratio to 170 by 2010. In the short term its goals are to improve access, quality and efficiency of service delivery.

To help reach these goals USAID will improve maternal, neonatal, and child health outcomes by supporting the scale-up of high-impact interventions, strengthening health systems, and building human resource capacity. Work will focus in three epidemiologically selected provinces, operating at both the facility and community levels. Interventions will include those addressing the continuum of antenatal and postpartum maternal health and perinatal, neonatal, and infant child health. Community level work will include a direct focus on hygiene, sanitation promotion, and water quality interventions as well as linkages to improvements in drinking water supply and sanitation. In addition, the promotion of exclusive breast feeding and ORT and the scale-up of immunization services will form a cost effective approach to preventing diarrhea and other childhood illnesses among children. Technical assistance to the Division of

Child Health will improve planning, quality of care, supervision and strategic information systems.

Indicative Activities

In the area of maternal and child health USAID/Kenya's provincial-level AIDS, Population and Health Integrated Assistance Program II (APHIA II) provide technical assistance, training and limited provision of commodities to public and private sector health facilities in areas such promoting increasing access to immunization and the treatment of childhood illnesses. Maternity services will be improved by providing training in obstetric care and enhanced referral at low-level facilities.

Social marketing techniques will be used to promote and distribute subsidized point-of-use water treatment products to prevent diarrheal diseases. Other water and sanitation activities may be started depending on the availability of funds. HIV/AIDS funds will be used to bring safe water products to those households affected by HIV/AIDS.

Activities such as the Demographic and Health Survey of households and individuals, the Service Provision Assessment survey of health facilities, and the National Health Accounts survey will provide the evidence needed to improve MCH funding and to better target the use of these funds.

Results to Be Achieved and Indicators

USAID focuses on improving maternity services, immunization, maternal and child nutrition, treatment of childhood illnesses, household level water, health governance and financing, and host country strategic information. In five years USAID will have achieved the following results: increased child and maternal survival in project areas and a better enabling environment for the provision of public health services nationally. Over the 2008-2012 period USAID will reduce of under 5 mortality by 25%, reduce maternal mortality by 25%, and improve the enabling environment for the provision of public health services nationally.

Family Planning and Reproductive Health

Program Element

Fertility in Kenya fell dramatically from the 1980s to 2000 but this decline has leveled off. A 2003 survey found that an average Kenyan woman would have 4.9 births in her lifetime, increasing her risk of death and increasing Kenya's population. There are important differences in contraceptive use across provinces and wealth quintiles. Family planning and reproductive health (FP/RH) services contribute to improving the health of women and children in Kenya, which in turn helps this country, achieve sustainable improvements in the well-being and productivity of its population.

Kenya's long-term goal, stated in its National Health Sector Strategic Plan, is to achieve a contraceptive prevalence of 70%. In the short term, its goal is to increase demand for RH services, scale up services, ensure commodity security, strengthen the policy environment, and enhance the capacity of health providers. This will increase couple

years of protection, improve service quality at health facilities, and increase access to modern contraceptive methods. To help reach these goals USAID/Kenya will help to improve facility-based service delivery and socially market contraceptives; use communications channels to increase the use of these services; and strengthen systems and the policy environment, especially ensuring a sustainable supply of contraceptives.

Indicative Activities

In the area of family planning and reproductive health USAID/Kenya's provincial-level AIDS, Population and Health Integrated Assistance Program II (APHIA II) projects will provide technical assistance, training and limited provision of commodities to public and private sector health facilities in areas such as strengthening service delivery, community level communications, and district-level management by updating provider skills, working with logistics partners and integrating services to reach more clients.

In family planning logistics, technical assistance will be provided directly with KEMSA's Logistics Management Unit in order to support the logistics database; produce stock status reports; and help it forecast contraceptive needs and supply sources. Some family planning commodities, especially intrauterine contraceptive devices, will be procured, depending on needs and funding availability. Limited assistance for commodity distribution will also be provided. Through a variety of partners, assistance will also be provided to the Division of Reproductive Health (DRH) to enhance its coordination role and focus on longer-term contraceptive security.

In the area of training and supervision, a variety of partners will work at the national, provincial and district levels to provide training and technical assistance to the Ministry of Health (MOH). At the national level, USAID assistance will strengthen the capacity of the DRH to lead and coordinate the national FP/RH program. To strengthen the technical capacity in the DRH, assistance will be provided in leadership and management skills; support will be provided to the decentralized training system to enhance decentralized training teams providing in-service training; development of standards and guidance for service delivery; and supervision and quality assurance. With the MOH's decentralization and the implementation of USAID's eight provincial APHIA II service delivery projects there is an increased need for the DRH to provide guidance for provincial level initiatives. They must ensure that standards and guidelines, curricula and materials are available and that new evidence is disseminated to trainers and managers at all levels. The APHIA II partners will ensure that training support to the district level and below is carried out to upgrade service provision at the service delivery points. Finally, broader human capacity development and manpower issues throughout the health system will also be addressed.

Demand for family planning has declined, as seen by the decline in contraceptive use and the slight increase in desired family size. USAID's behavior change communications project will use messaging at all levels, from mass media to community channels, to increase awareness of the benefits of birth spacing and limiting and to improve awareness of outlets for FP products.

Results to Be Achieved and Indicators

The objective is to expand the availability of integrated family planning and reproductive health services, especially in targeted geographic areas, and improve service delivery programs through applied research. It will also increase the demand for these services through community-level and interpersonal communications and through mass media campaigns. Increasing access and demand should increase customer use of these services.

In five years, USAID/Kenya will support the national program to accomplish the following results: increase couple-years of protection in USG-supported programs to 500,000; train 3,000 people in FP/RH; and offer FP counseling services at 1,000 service delivery points. By 2012 the modern contraceptive prevalence rate will increase by 4 percentage points including those in the lowest 2 quintiles.

D. MALARIA

Program element

In June 2005, the United States Government (USG) announced a new five-year, \$1.2 billion initiative (the President's Malaria Initiative) to rapidly scale up malaria prevention and treatment interventions in high-burden countries in sub-Saharan Africa. The goal of this Initiative is to reduce malaria-related mortality by 50% after three years of full implementation in each country. This will be achieved by reaching 85% coverage of the most vulnerable groups -children under five years of age and pregnant women with proven preventive and therapeutic interventions.

Kenya was selected as one of eight countries in 2006 to receive funding during the third year of the President's Malaria Initiative (PMI). Malaria is the leading cause of morbidity and mortality in Kenya. It accounts for about 30% of all outpatient consultations, 19% of all hospital admissions, and is reported to cause approximately 34,000 deaths per year among children under five years of age. Kenya has about 30 malaria-endemic districts where malaria transmission is stable and takes place year round with peak transmission periods. In addition, there are 16 districts with seasonal transmission at risk of epidemics. The total population at risk of malaria is approximately 23 million, or 70% of the population, including an estimated 3,500,000 children under five and 1,100,000 pregnant women.

In Kenya, PMI in collaboration with other partners will support the scale up of four highly effective malaria interventions: artemisinin-based combination therapy (ACT), intermittent preventive treatment for malaria in pregnancy (IPTp), insecticide-treated mosquito nets (ITNs), and indoor spraying (IRS). PMI will also strengthen the capacity of the Ministry of Health/ Division of Malaria Control (DOMC) to support the implementation of the malaria interventions. This is a three year initiative (2008-2010) led by USAID/Kenya with collaboration from CDC/Kenya.

Indicative activities

The malaria interventions will focus on preventive measures such as the use of insecticide-treated nets. USAID through PMI will procure Long Lasting Insecticide Treated Nets (LLINs) and support their free distribution through antenatal clinics. The intervention will also support community-based information, education and communication/behavior change communication (IEC/BCC) campaigns to increase demand for and correct usage of LLINs.

Assistance for malaria will also include Indoor Residual Spraying (IRS) activities. This will include continued spraying in three districts and support the MOH spray operations through the provision of technical and operational support. PMI will also provide technical assistance for enhanced epidemic surveillance and entomological monitoring. To prevent malaria in pregnancy, there will be an emphasis on intermittent preventive treatment of pregnant women (IPTp). Service providers in health facilities will be trained on Focused Antenatal Care and Malaria in Pregnancy (FANC/MIP). Community health workers will be sensitized on reproductive health and behavior Change Communication (BCC) to create awareness and increase the uptake of IPTp.

Case management activities will include training of health workers and strengthening quality assurance/quality control systems for microscopy and procurement of anti-malarial drugs. In addition, there will be continuing support to strengthen the supply chain and logistics systems for malaria drugs to ensure reliable access and a steady supply of these essential anti-malarial medications. The on-going coordinated monitoring and evaluation activities will be continued.

Results to be achieved and indicators

With continued support from the President's Malaria Initiative by 2010, it is expected that there will be a 50% reduction of malaria associated mortality. That in the next three years, more than 90% of households with pregnant women and children under five will have at least two Insecticide Treated Nets and 85% of the target populations will be reached by effective malaria interventions such as prompt treatment of malaria with effective malaria drug.

E. CROSSCUTTING

MEASURE Phase II Demographic and Health Surveys project (DHS), implemented by ORC Macro, is an ongoing project providing technical assistance to various ministries of the Government of Kenya.

The 2008 DHS will provide critical information for policy makers, program managers and other stakeholders in the health and social sectors. Information from the survey will include indicators of fertility, fertility preferences, utilization of family planning, child mortality, maternal and child health and nutrition status. The survey will also measure knowledge and behavior regarding HIV/AIDS and sexually transmitted infections.

MEASURE DHS will assist the Ministries of Planning and Health to undertake the 2008 Kenya Demographic and Health Survey. Support for this activity begins in FY07 to ensure that planning for the survey can begin as early as possible. It also ensures that funds will be available early in 2008 to start preparatory work. This is an integrated activity and will receive OGAC and CSH funds. The 2008 KDHS will result in training of 60 individuals in all aspects of strategic information. The activity will also support four government agencies to implement the survey.

V. ROLES AND RESPONSIBILITIES OF THE PARTIES

US Agency for International Development

The USAID/Kenya Mission through its Office of Population and Health (OPH) and other departments at USAID headquarters in Washington will manage and coordinate implementation activities under SO 3. OPH will focus on six key functions central to the implementation and achievement of the objective: strategic planning; technical assistance; coordination; reporting; monitoring and evaluation; and dissemination of lessons learned. USAID may enter directly into contracts, grants and/or cooperative agreements with private institutions and individuals, using resources provided under this Agreement, in order to procure the technical assistance, goods and training contemplated under this Agreement. USAID will also use a portion of the resources provided under this Agreement to cover program support, monitoring, evaluation, and audit costs.

Government of Kenya

The GOK organizations, i.e., the Ministry of Medical Services, the Ministry of Public Health and Sanitation, the Office of the President (National AIDS Control Council), and Ministry of Planning and National Development will be the major collaborative partners under this Objective.

The Ministries of Medical Services and Public Health/Sanitation will provide overall coordination and guidance, as well as the overall framework for USAID-supported family planning, reproductive health, health care financing, HIV/AIDS and child survival activities. USAID partners will share work plans, strategies and approaches with the appropriate departments (e.g., NASCOP, Department of Reproductive Health) to ensure that activities are in line with national programs and activities. Direct technical teams may be deployed to specific departments in areas such as logistics or training and supervision. The Health and Population Donor Group is one forum which the MOH may use to ensure that USAID activities complement those of other donors.

The Office of the President, through NACC, will be a partner in the overall coordination and supportive structure for HIV/AIDS prevention, care and support activities. It will provide the framework via the National AIDS Strategic Plan within which USAID partners operate.

The Kenya National Bureau of Statistics (KNBS), Ministry of Finance and Planning, will provide the overall coordination and guidance for national level surveys (e.g. the Demographic and Health Survey) as well as provide a forum for donor coordination and

collaboration. KNBS will provide technical support, advice, and direction to surveys and studies.

The National Coordinating Agency for Population and Development (NCAPD), Ministry of Finance and Planning, will provide overall coordination and a strategic framework for population-related activities. It will convene regular meetings of NGOs, donors and other partners to ensure that USAID's activities (and those of other actors) support Kenya's national population strategy.

Provincial, district and municipal authorities will provide guidance and an operational framework for partners working at the provincial, district or local level. USAID partners will endeavor to ensure that their activities are part of district level work plans. Municipal and other authorities will be encouraged to work with USAID entities as a team, and provide technical direction and guidance. A decentralized, participatory approach that supports communities is envisioned.

VII. MONITORING & EVALUATION

Over the term of this Agreement, the indicators illustrated in Attachment 2 of this Annex will be the basis for monitoring progress toward achievement of the results and to assess activity effectiveness. All activities under this Agreement will be designed to include periodic reporting that will allow the Parties to monitor, on at least an annual basis, progress toward achieving specific results and targets. Targets for all performance indicators illustrated in the Attachment 2 will developed through a consultative process with all stakeholders including relevant GOK ministries and departments on an annual basis.

To complement data collected and reported by the participating partner institutions, USAID may also collect annual information from customers through rapid appraisals, focus groups and other appropriate techniques to determine that the activities are achieving intended results.

USAID, in close collaboration with the Ministry of Health and others, will continue to finance the Demographic Health Survey (DHS) and Kenya Service Provision Assessments (KSPA). Data from the DHS will provide objective, valid, and reliable data on achievement of SO 3 level indicators as well as provide invaluable data on trends in the Country; while data from KSPA will avail objective, valid and reliable information on capacity of health sector in Kenya to provide both basic and advanced level HIV/AIDS, MCH and FP/RH services.

Over the 5 year period, USAID will continue to work with various departments and divisions within the MOH and Ministry of Planning and National Development in the strengthening of the national monitoring and evaluation system in order to generate timely, complete and reliable data for decision making. Capacity of the MOH's District Health Management Teams (DHMTs) and their provincial counterparts will be strengthened and supported to better manage and provide quality health delivery services.

Attachment 2
Indicators of Achievement.

Results	Performance Indicator	Baseline		Target	
		Year	Value	Year	Value
HIV and AIDS	Number of HIV-infected individuals that are receiving ARVs	FY2007	155,000	FY 2008	159,000
	Number of pregnant women provided with PMTCT services (counseled, tested and received results)	FY 2007	786,000	FY 2008	1,000,000
TB/HIV	Number of HIV-infected clients attending care/treatment that are receiving treatment for TB	FY 2007	58,000	FY 2008	70,000
Maternal and Child Health	Number of people trained in child health through USG-supported programs	FY 2007	1760	FY 2008	2620
Family Planning and Reproductive Health	Couple-years of protection in USAID-supported programs	FY 2007	170,000	FY 2008	195,300
	Number of USAID-assisted service delivery points providing FP	FY 2007	460	FY 2008	615
Malaria	Number of targeted households sprayed with insecticides	FY 2007	400,000	FY 2008	400,000